



House of Representatives

File No. 646

General Assembly

February Session, 2006

(Reprint of File No. 182)

House Bill No. 5666
As Amended by House Amendment
Schedule "A"

Approved by the Legislative Commissioner
April 28, 2006

**AN ACT CONCERNING WHOLESALE BEER PRICE POSTING AND
MODIFYING BEER PACKAGING FOR CONSUMPTION ON AND OFF
PREMISES.**

Be it enacted by the Senate and House of Representatives in General
Assembly convened:

1 Section 1. Section 30-63 of the 2006 supplement to the general
2 statutes, as amended by house bill 5183 and house bill 5667 of the
3 current session, is repealed and the following is substituted in lieu
4 thereof (*Effective from passage*):

5 (a) No holder of any manufacturer, wholesaler or out-of-state
6 shipper's permit shall ship, transport or deliver within this state, or sell
7 or offer for sale, any alcoholic liquors unless the name of the brand,
8 trade name or other distinctive characteristic by which such alcoholic
9 liquors are bought and sold, the name and address of the manufacturer
10 thereof and the name and address of each wholesaler permittee who is
11 authorized by the manufacturer or his authorized representative to sell
12 such alcoholic liquors are registered with the Department of Consumer
13 Protection and until such brand, trade name or other distinctive
14 characteristic has been approved by the department. Such registration

15 shall be valid for a period of three years. The fee for such registration,
16 or renewal thereof, shall be one hundred dollars for out-of-state
17 shippers and three dollars for Connecticut manufacturers for each
18 brand so registered, payable by the manufacturer or such
19 manufacturer's authorized representative when such liquors are
20 manufactured in the United States and by the importer or such
21 importer's authorized representative when such liquors are imported
22 into the United States. The department shall not approve the brand
23 registration of any fortified wine, as defined in section 12-433, which is
24 labeled, packaged or canned so as to appear to be a wine or liquor
25 cooler, as defined in section 12-433.

26 (b) No manufacturer, wholesaler or out-of-state shipper permittee
27 shall discriminate in any manner in price discounts between one
28 permittee and another on sales or purchases of alcoholic liquors
29 bearing the same brand or trade name and of like age, size and quality,
30 nor shall such manufacturer, wholesaler or out-of-state shipper
31 permittee allow in any form any discount, rebate, free goods,
32 allowance or other inducement for the purpose of making sales or
33 purchases. Nothing in this subsection shall be construed to prohibit
34 beer manufacturers, wholesalers or out-of-state shipper permittees
35 from differentiating the manner in which their products are packaged
36 on the basis of on-site or off-site consumption.

37 (c) For alcoholic liquor other than beer, each manufacturer,
38 wholesaler and out-of-state shipper permittee shall post with the
39 department, on a monthly basis, the bottle, can and case price of any
40 brand of goods offered for sale in Connecticut, which price when so
41 posted shall be the controlling price for such manufacturer, wholesaler
42 or out-of-state permittee for the month following such posting. On and
43 after July 1, 2005, for beer, each manufacturer, wholesaler and out-of-
44 state shipper permittee shall post with the department, on a monthly
45 basis, the bottle, can and case price, and the price per keg or barrel or
46 fractional unit thereof for any brand of goods offered for sale in
47 Connecticut which price when so posted shall be the controlling price
48 for such brand of goods offered for sale in this state for the month

49 following such posting. Such manufacturer, wholesaler and out-of-
 50 state shipper permittee may also post additional prices for such bottle,
 51 can, case, keg or barrel or fractional unit thereof for a specified portion
 52 of the following month which prices when so posted shall be the
 53 controlling prices for such bottle, can, case, keg or barrel or fractional
 54 unit thereof for such specified portion of the following month. Notice
 55 of all manufacturer, wholesaler and out-of-state shipper permittee
 56 prices shall be given to permittee purchasers by direct mail, Internet
 57 web site or advertising in a trade publication having circulation among
 58 the retail permittees except a wholesaler permittee may give such
 59 notice by hand delivery. Price postings with the department setting
 60 forth wholesale prices to retailers shall be available for inspection
 61 during regular business hours at the offices of the department by
 62 manufacturers and wholesalers until three o'clock p.m. of the first
 63 business day after the last day for posting prices. A manufacturer or
 64 wholesaler may amend such manufacturer's or wholesaler's posted
 65 price for any month to meet a lower price posted by another
 66 manufacturer or wholesaler with respect to alcoholic liquor bearing the
 67 same brand or trade name and of like age, vintage, quality and unit
 68 container size; provided that any such amended price posting shall be
 69 filed before three o'clock p.m. of the fourth business day after the last
 70 day for posting prices; and provided further such amended posting
 71 shall not set forth prices lower than those being met. Any
 72 manufacturer or wholesaler posting an amended price shall, at the
 73 time of posting, identify in writing the specific posting being met. On
 74 and after July 1, 2005, all wholesaler postings other than for beer for
 75 the following month shall be provided to retail permittees not later
 76 than the twenty-seventh day of the month prior to such posting. All
 77 wholesaler postings for beer shall be provided to retail permittees not
 78 later than the twentieth day of the month prior to such posting.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>from passage</i>	30-63
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The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

The bill as amended requires wholesaler postings for beer to be provided to retail permittees by a certain day. The bill as amended also specifies that beer manufacturers are permitted to differentiate the manner in which their products are packaged on the basis of on-site or off-site consumption. There is no fiscal impact.

House "A" replaced the original bill and results in the fiscal impact described above.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis**HB 5666 (as amended by House "A")******AN ACT MODIFYING BEER PACKAGING FOR CONSUMPTION ON AND OFF PREMISES.*****SUMMARY:**

The law prohibits manufacturers and wholesalers of alcoholic beverages from discriminating in any way in the price discounts they offer their customers on products of the same brand, age, size, and quality. This bill provides that this prohibition must not be construed to prohibit beer manufacturers and wholesalers from changing how they package their products based on whether their customer holds a permit to sell for off-premises or on-premises consumption.

The law requires manufacturers and wholesalers of all types of alcoholic beverages to post their bottle, can, case, keg, barrel, or fractional unit prices (*e.g.*, quarter kegs) for the following month with the Department of Consumer Protection. The price, once posted, is the controlling price for the entire next month. The law also allows beer manufacturers and wholesalers to post additional prices for specified parts of the month and makes them the controlling prices for the specified parts of the month. The bill requires beer wholesalers to provide their price postings for the following month to retailers by the 20th of the month rather than the 27th.

*House Amendment "A" adds the provision about beer wholesaler prices and changes the bill's effective date from October 1, 2006.

EFFECTIVE DATE: Upon passage

BACKGROUND

Related Acts

HB 5183 (File 357), passed earlier this session, repeals the June 30, 2006 sunset date on the law requiring alcoholic beverage price posting and wholesalers to notify retailers of their prices.

HB 5667 (File 359), passed earlier this session, delays the deadline for wholesalers to inform retailers of their prices for the following month from the 12th of the month to the 27th.

COMMITTEE ACTION

General Law Committee

Joint Favorable

Yea 14 Nay 1 (03/14/2006)